

What is the future of print advertising, part II

We've established that advertising and publishing are symbiotic, right? Well, today I found more bad news affecting newspapers across the country, courtesy of Mediabistro.com.: The *Boston Globe* is cutting up to 50 jobs and the Minneapolis *Star Tribune* is filing for bankruptcy. This is a case where it could be the chicken or the egg. Did advertising drop and cause financial losses at the newspapers or did cutbacks and diminishing influence of print media lead to less print ad expenditure? Not sure which, but maybe a bit of both.

Of course, newspapers are still relevant. I would bet most people check out a newspaper every day, albeit, online. Perhaps we can brace now for an all electronic future.

What is the future for print advertising?

Obviously, 2008 was not a banner year for anyone, except maybe foreclosure specialists and some lawyers. It certainly was not a good one for print media. We heard of closures (*Christian Science Monitor* for one) and declines in subscriptions. Today, Folio reported that ad pages fell 11.7 percent as compared to 2007. Wow. As anyone who works in media knows, advertising is the lifeblood of publishing. No advertising, no publishing. Subscriptions and newsstand sales alone don't make up the income stream needed to publish a magazine. I am sure the cost of paper is up, as well as transportation costs. In short, as it has become more

expensive to actually publish the magazine, the main source of revenue has declined. To me this spells a tough year ahead for magazines in 2009. I think we will see more magazine closures and consolidations. Some may cut back to fewer issues per year. I think it will be worse for newspapers. A few days ago it was reported that the *Seattle Post-Intelligencer* was looking for a buyer. If it does not get a buyer in two months, it will fold. This is the MAIN newspaper in a large city.

In short, I think the future of print advertising is less growth. I don't think it will disappear just yet, but I am sure online advertising will continue to grow while print advertising continues its decline.

What? Brand advertising doesn't work?

I find this report hard to believe, but apparently, drug advertising is not resulting in patients asking for a drug by name. Read the MSNBC article [here](#). I can only theorize that the drugs that are advertised the most (Levitra, Viagra, Jenuvia) are for conditions that don't affect that many people. Hmm...

Save, save, save

It's no wonder, given the sour state of the U.S. economy, that advertisers are choosing to portray their products or services

as the most economical. One such advertiser is NetZero. For those of you not familiar with it, or who don't watch any TV, NetZero is a dialup Internet Service Provider (ISP). For years, NetZero has been saying it can take us to the "same" Internet for only \$9.95 a month. However, NetZero has rarely said that it is the same Internet, yet slower compared to your more expensive broadband connection. Until now. A couple of nights ago, I saw NetZero's new campaign in which the company says each individual could save \$300 a year using NetZero. The first ad in the campaign went so far to say that you don't really need speed if you can save money. The rest of the ads have been truncated versions just focusing on the dollar savings and not on the speed loss.

What makes this ad so interesting is that it is all about saving money. In fact, that is NetZero's USP—cheaper than broadband. I guess if all you are doing is getting text emails, and perhaps visiting a non-graphic website, you don't need more than dialup. If, however, you transmit files or you share pictures or you simply want to visit and see mainstream websites, you would be very badly served having dialup. But yes, if you switch to dialup (and I am not sure who else provides this service), you could save some \$20-\$30 a month.

I think we will be seeing more of these ads from diverse companies. They will focus on how cheap they are (this is what Walmart is doing with its Live Better campaign) and ignore any other issues. The feeling seems to be people want to/have to save money, and if we tell them they can save money using our company, they will buy our product or service. A year ago I would have said there is no way this approach can work. People do not buy simply on cost...they buy on experience, promise, and whole slew of other issues. But today, when accounts are dwindling, jobs are being lost and people feel panicky, perhaps simply saving money is the way to go.

Selling Whoppers or selling stupid?

A couple of nights ago, I saw an ad in Burger King's new campaign "Whopper Virgins." The ad, which is shot in a documentary style, and takes us around the world to tiny villages (mostly in Asia) where "people who have never tasted a burger before," are asked to sample a Whopper and a another burger. The villagers seem to prefer the Whopper. Thus, "Whopper virgins" prefer Burger King, and so should you. Case closed, right? No.

I was a bit astounded by this campaign. First, I feel that labeling people and using the term "Whopper virgin" is a bit tacky. And then, there is the negative reaction the ad has gotten, as is described in this article in the *Chicago Tribune*, which also ran today in the *Washington Post*. The article claims the ad missed its mark. Other people are writing about this too, saying the ad is ignorant, or colonialistic or worse. Motley Fool (the finance "educators") analyzed the ad, in light of Burger King's other "risky" ad campaigns, and says the company "may have bitten off more than it can chew." BK even issued a press release saying they are investing in the lands of the Whopper Virgins. This also sounds colonialistic.

I am not sure it plays to the best in America to find people who have never had a burger and expose them to the lowest echelon of American cookery—the fast food burger. I get the concept—people who are not biased like our product better—let's run with it. But the final product might be crossing a few boundaries of "taste." In the end, this is typical ad agency behavior (in this case, Cripin Porter):

let's sell a concept and then execute in a way that will be funny (to us). In fact, this campaign seems like it took the movie *Borat* to heart, and decided that it would reverse it. Take *Borat* back out to the country. The thing is *Borat* was funny...but it was hugely offensive.

UPDATE: BK is now selling Flame—a beef scented cologne. Retails for \$4, available online. What a wonderful gift idea—perhaps the Whopper Virgins would enjoy.
<http://tinyurl.com/6pp2ra>

New selling points

The economic-banking-credit crisis has spawned some new advertising selling points and language for financial institutions. These seek to reassure current and potential customers that their money-investments-assets are safe. For instance, SunTrust Bank is using a new tagline: “Live Solid. Bank Solid.” Obviously, solid is a good word to describe a bank, especially in light of recent bank failures. Bank of America, one of the largest banks in the US, is still going with the “Keep the Change” campaign, and a headline to their newest ad is “If you’re going to spend, spend smart.”

I have seen lots of ads featuring words like secure, safe, solid, smart, trust and so on. It is not about high returns or great investments any more, it is about keeping what you have in an increasingly turbulent marketplace.

Meanwhile, Commerce Bank, which was a bank operating mainly in the Northeast, got “rebranded” into TD Bank due to a merger with TD BankFinancial Group of Canada. Commerce, who used red

as its color, is now green. The change was quite sudden and confusing. I am sure that current customers were aware of an impending change, but others must have been taken by surprise.

Churches...advertising?

OK...now I have heard all types of advertising. I am listening to a rock station here in DC and a local church just advertised its “services” (almost a wordplay, right?). The speaker (hard to say if it was the pastor) quoted, get this, the SPICE GIRLS (about stuff in your past). If this is not a naked attempt to appeal to a younger set, I don’t know what is. In any case, the speaker informs us that therapy and/or drugs can never help us get rid of guilt—only forgiveness can (of course one can forgive or be forgiven through the help of therapy, but whatever). And then, he tells us to go to a website to learn more. Now, I have heard of membership drives and spreading the word, but I truly haven’t heard a church advertise on a mainstream radio station. This tells me two things—the church is seeking to increase its membership from a certain age demographic and the church has decided to do things in a more 21st Century fashion—get them where they are. Interesting. I would be very interested in knowing if this type of appeal works. In theory, it should, at least stimulate some interest. I wonder if the church hired an ad agency, or a pr agency. This certainly is part of larger recruiting campaign.

What kind of political ad works best?

We've seen lots of mud-slinging via commercial during this year's presidential election. Negative ads work to some extent or they wouldn't be used. However, this morning, I saw Barack Obama's newest commercial. It is all about his economic plan, and he is on camera and talking for all of it. I think it was effective—he laid out his principles and what he wants to do for the American people, and of course, he dealt with the hottest topic du jour, the economy. It made him look serious and proactive. Let's see what McCain responds with. In a way, I think Obama is trying to look presidential to counteract McCain's grandstanding of these past two days.

Will it play in Peoria?

It used to be that the primary concern for advertisers was whether their ad “would play in Peoria,” shorthand for would middle America like it. More and more we are seeing ads that don't play in Peoria or anywhere else than the ultra chic world of Manhattan advertising agencies. Microsoft is a case in point. The company is now withdrawing its weird Bill Gates-Jerry Seinfeld ads after only two weeks. The ads were just too strange and didn't get across their point. Unfortunately, this is not the only case, nor will it be the last. Now, I am all in favor of “pushing the envelope” creatively and approaching things differently, but ultimately, the target audience has to appreciate the ad or else it is literally missing its target.

This morning, I was watching the news and they were talking

about what to do during this financial mess. One of the advisers recommended holding off on any big purchases such as real estate and hanging on tight to any money. Not sure if I agree, but I know that mortgages are hard to get right now. Not five minutes later during commercial break, Coldwell Banker had an ad for its services, ENCOURAGING people to buy now BECAUSE of the economic climate. Huh? Dissonance!!!! I thought to myself, are these advertisers really thinking that people will be buying during this type of economic crisis? Is this another case of not taking Peoria into consideration?

Update on Microsoft: Here's a story from Newsweek about how Microsoft is failing to shine Vista's reputation.

Another advertising what?!?! moment

Much like the Coke-Pepsi taste wars, Microsoft is vying with Apple to be the taste of a new generation. You've probably seen the Apple commercials showcasing the young Justin (standing in for Mac) and the old man (standing in for PC). PC is so out of touch, so many problems while Mac is just a breeze. Somehow, PCs are still in the majority... But Microsoft is pulling out all the stops—they hired Jerry Seinfeld and Bill Gates to shill the MS Operating System. Seriously. And I caught part of the TV commercial yesterday, and all I can say is what the??? It didn't make sense, it was dumb and a complete waste of Jerry Seinfeld's comedic talents. And Bill Gates is going to convince me Microsoft is better than Mac? We know he thinks its better—he made millions off it (or is it billions?). Bottom line, the ads are just not as hip as the Apple ads.